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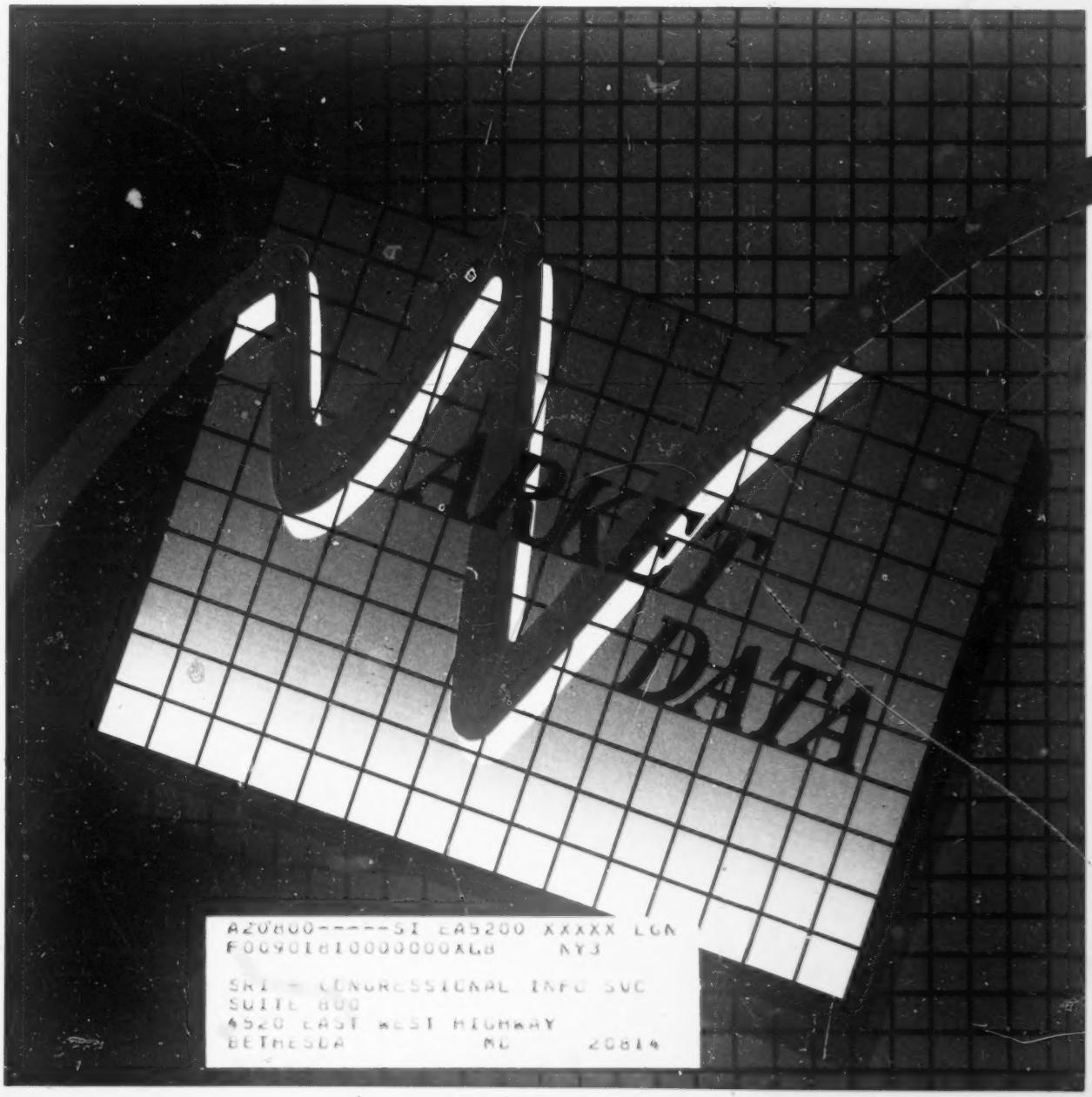
Lawn&Garden Marketing

NOV/DEC 1987

An Intertec publication

Reports on: NLGDA convention

L&G consumers • '88 OPE projections



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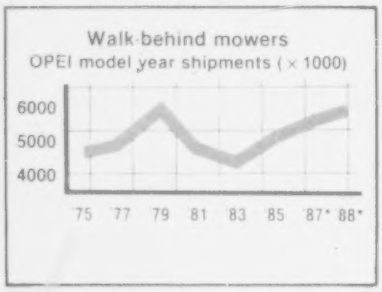

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Editor's Notebook

Closing a notebook

One of the most immutable, interesting and welcome laws of life is change, and without further delay I will discuss a significant change that will occur with me and with *Lawn & Garden Marketing* magazine beginning with the January 1988 issue. After having served on the editorial staff since 1968, and as editor since April 1974, in January I will have a new function for the magazine—serving as consulting editor, specializing in covering in greater depth the power equipment segment of the lawn and garden business and in working on special projects for the magazine and in the industry.

Assuming the role of editor will be Susan Anderson, past staff editor, who has been instrumental over the past three years in implementing the new graphics, which have distinguished this magazine, and who has played a key role in all other editorial aspects of producing the magazine. And, in this, my closing Editor's Notebook for this publication, I will address the subject of change and also confront the reality that accompanies change and is not always welcome.

In spite of the inevitability of change, it is human nature to resist it. Change often suggests the unknown, the taking of chances, the moving from a comfortable degree of certainty to a position of uncertainty.

But, in recent years, we have all seen a willingness of some individuals, companies and trade associations to take those chances and come out winners. The OPEI's move to form the Louisville Expo is one example of a dramatic change that involved taking chances but worked to the benefit of the OPEI, its members and the industry.

On the non-power side of the business, there has been less success in forming a trade association of manufacturers or of retailers. But there is a vacuum there, and there are enough problems and opportunities in the non-power segment of the business to warrant the banding together of imaginative leaders who are willing to identify changes needed and willing to take the chances to initiate the formation of new associations.

Even though we have seen much progress and much profit from this growth industry, there remains some giant gaps in providing the kind of goods and services that consumers will need in the next 15 years. Getting to know the consumer and how to serve them is a matter that is going to require change for, and education of, those involved in marketing at all levels.

I recently read a comment by a management consultant who said that 17 percent of a manager's time should be spent in re-educating himself. There are many new opportunities for re-education, and those who make use of these opportunities will be the winners in this competitive market.

For the next 20 years, people are going to be talking about the 21st century, the new millennium, what it will mean to many aspects of people's lives. It could very well be that the next 12 years will mean even more change for this industry than has the past 25 years. And, in the process of change, there will be fortunes gained and fortunes lost; opportunities and ambitions fulfilled and opportunities missed. There will be new companies emerging, new trade groups forming, new types of retailing and distribution coming to the forefront to serve the public. To be part of this industry in the year 2,000, the companies, associations and individuals in it will have to change in many respects.

Meanwhile, it is my hope that the changes that you do undergo will be productive and profitable ones. That probably means planning and re-education to improve and sustain your business and your professionalism.

In signing off on this final issue under my editorship, I want to thank all of you who have cooperated with me through the years in articles, surveys, letters and plain friendship. That's something that will always remain and need not change.

—LGM

Lawn&Garden Marketing

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L&G participation level in '87

Results from the annual National Gardening Survey show U.S. household involvement in lawn and garden activities as stable in 1987. Nine out of 10 categories stayed at about the same level.

By Bruce Butterfield

Some 59 percent of the households in the United States participated in lawn care activities in 1987. This compares to 58 percent in 1986.

The percentage of households involved in tree care saw only one point change, from 24 percent in 1986 to 25 percent in 1987.

Early results of the 1987 National Gardening Survey indicate that participation in indoor and outdoor lawn and garden activities by U.S. households this year was about the same as in 1986. In total, 78 percent of all households participated in one or more forms of indoor or outdoor lawn and garden activity in 1987, the same percentage as in 1986. The survey is conducted annually for the National Gardening Assn. by the Gallup Organization Inc.

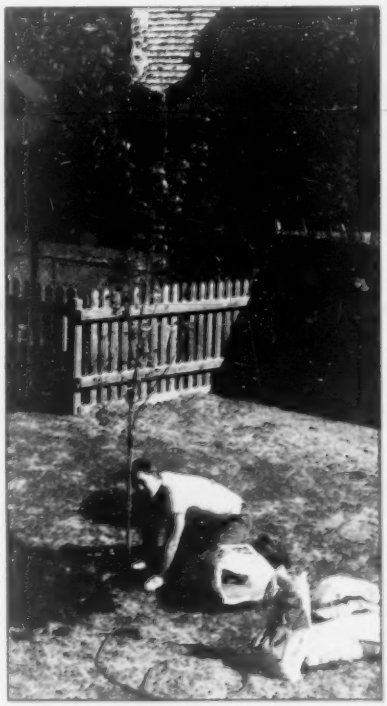
Of the 15 categories of DIY lawn and garden activities measured in 1987, 14 had participation rates equal to that seen in 1986, and only one category declined. The percentage of U.S. households participating in lawn care, flower gardening, maintaining indoor houseplants, insect control, shrub care, tree care, planting flowerbulbs, landscaping, growing fruit trees, raising transplants, container gardening, growing berries, ornamental gardening and herb gardening was statistically equal for each, given sampling tolerance, to participation rates seen last year.

The percentage of households with a vegetable garden declined by six percentage points, from 38 percent of households in 1986 to 32 percent of households in 1987.

While the percentage of households participating in lawn and garden activities in 1987 stayed at about the same level as in 1986, a small increase existed in the actual number of DIY lawn and garden households this year. This increase was due to the fact that the total U.S. household population went up from 88.5 million households in 1986 to 89.5 million households in 1987, or an increase of one million households. In total, there were 70 million lawn and garden households in 1987 compared with 69 million in 1986.

The number of households participating in ornamental gardening went up by 2 million households, and the number of households planting flowerbulbs was also up by 2 million households in 1987.

An increase of 1 million households during 1987 was also seen in each of the following categories: lawn care,



The category of landscaping saw a two point change, from 22 percent of households involved in 1986 to 24 percent of households in 1987.

The percentage of households with a vegetable garden declined by six percentage points, from 39 percent of households in 1986 to 32 percent of households in 1987.

shrub care, tree care, landscaping, fruit trees, raising transplants and herb gardening. On the downside, 6 million fewer households had vegetable gardens in 1987 than in 1986, 2 million fewer households practiced insect control this year than last and a decline of 1 million households with flower gardens existed in 1987 compared with 1986.

According to Charles Scott, president of the NGA, "Overall, the early results of this year's survey are positive. They reflect the fact that the number of households participating in a variety of lawn and garden activities in this country continues to represent sizeable market for a broad range of products. The customer base for most lawn and garden products was stable or increased along with the growth in the total number of households in the U.S. in 1987." Scott continues, "What this says to me is that the customers are out there and the challenge is to deliver products that are new, innovative, timely and targeted to specific needs. By year end, when we have received the survey results on product purchases and consumer spending in 1987, I would not be surprised to see that product purchases have increased this year and that total dollars spent by consumers on lawn and garden will be up over 1986." —LGM

Bruce Butterfield, author of this article, is director of research for the National Gardening Assn.

Each year NGA publishes the *National Gardening Survey* based on research conducted by the Gallup Organization Inc. The Survey looks at U.S. household participation in lawn and garden activities, how much consumers spend, products purchased and other related subjects of interest.

The NGA is a member-supported, non-profit organization with headquarters in Burlington, Vt. Its 200,000 members receive the organization's monthly magazine, *National Gardening*, which, in addition to providing gardening information, permits members to exchange ideas and inquiries through its pages. The organization also offers members a Gardening Answer Service managed by staff horticulturists.

In addition, NGA also recently published *Gardeners' Questions Answered*, expert advice and practical solutions to gardening problems, and the 12-volume "Yardening" series of videocassettes. And NGA is developing Grow Lab, elementary science education programs using gardening as a hands-on learning tool. NGA's address is 180 Flynn Ave., Burlington, VT 05401; (802)863-1308.

U.S. household participation in lawn and garden activities

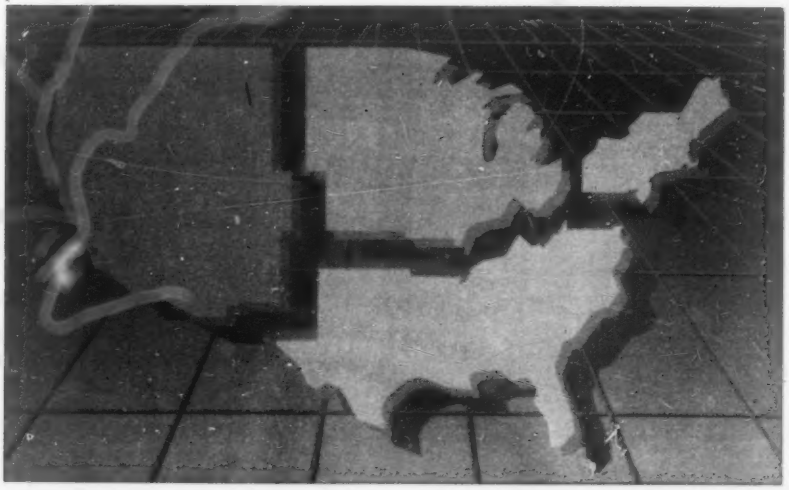
Activity	1982 %	1983 %	1984 %	1985 %	1986 %	1987 %	Point Change	Average 1982-1987	(Millions of households) 1986	1987	Change
Lawn care	63	63	63	64	58	59	+1	62	51	52	+1
Flower gardening	50	47	47	41	44	43	−1	45	39	38	−1
Indoor houseplants	48	43	46	42	41	41	0	44	36	36	0
Vegetable gardening	46	42	40	37	38	32	−6	39	34	28	−6
Shrub care	42	35	36	36	31	32	+1	34	27	28	+1
Insect control	39	32	38	27	33	30	−3	33	29	27	−2
Tree care	30	25	26	20	24	25	+1	25	21	22	+1
Landscaping	26	23	25	23	22	24	+2	24	20	21	+1
Fruit trees	22	20	18	17	17	18	+1	19	15	16	+1
Raising transplants	18	15	17	11	13	14	+1	15	11	12	+1
Growing berries	13	12	11	7	8	8	0	10	7	7	0
Ornamental gardening	10	7	9	7	6	8	+2	8	5	7	+2
Flower bulbs	na	25	27	19	24	26	+2	24	21	23	+2
Container gardening	na	na	na	na	12	12	0	12	11	11	0
Herb gardening	na	na	na	na	6	7	+1	7	5	6	+1
Total**	86	82	83	84	78	78	0	82	69	70	+1

**Total is the % of U.S. households that participated in at least one type of indoor/outdoor lawn and garden activity each year.

Source: National Gardening Assn./Gallup Organization

Product Movement Report

Spring/Summer 1987



West

Product	% Up	% Same	% Down
[illegible]	32	19	12
[illegible]	27	36	9
[illegible]	20	16	17
[illegible]	6	14	10
Replace. parts	25	32	8
Herbicides	27	30	3
Insecticides	23	33	8
Lawn fertilizers:			
Granular	32	27	5
Liquid	20	17	3
Soluble	17	25	5
Special	18	28	9
Watering equip.	24	22	3
Grass seed	23	17	8
Packet seeds:			
Annuals	18	19	9
Perennials	15	27	8
Trees, shrubs	17	9	2
Tools:			
Long-handled	27	23	9
Cutting	27	36	6
Short-handled	23	42	6
Sprayers:			
Hose-end	28	33	6
Elect.-powered	3	14	–
Gas-powered	6	15	–
Hand-pump	28	33	6
Planters	17	13	6
Bird feeders	14	27	–

Based on % of those carrying the product line, indicating sales movement.

Source: *LGM* spring/summer 1987 survey.

North Central

Product	% Up	% Same	% Down
Walk-behinds	39	31	13
Spin trimmers	28	33	16
Riders	18	35	16
Garden tractors	12	24	14
Replace. parts	45	27	7
Herbicides	16	21	5
Insecticides	19	23	2
Lawn fertilizers:			
Granular	16	23	7
Liquid	10	23	2
Soluble	8	27	–
Special	10	27	2
Watering equip.	15	16	11
Grass seed	28	12	5
Packet seeds:			
Annuals	7	17	13
Perennials	8	18	8
Trees, shrubs	12	6	1
Tools:			
Long-handled	19	25	11
Cutting	19	38	8
Short-handled	7	33	12
Sprayers:			
Hose-end	11	28	8
Elect.-powered	1	8	1
Gas-powered	2	11	2
Hand-pump	12	24	6
Planters	10	11	6
Bird feeders	16	16	6

Based on % of those carrying the product line, indicating sales movement.

Source: *LGM* spring/summer 1987 survey.

Nationally sales in 24 of 27 spring and summer product categories increased according to retailers responding to this *Lawn & Garden Marketing* survey. Only one category, barbecue grills, showed a decrease in overall sales. (For more information on barbecue grill sales and patio furniture sales, results are covered separately on pages 56 and 57 in this issue.) Sales in two categories, garden tractors and annual packet seeds, were flat.

The Northeast showed gains in garden/utility tractors. However, the rest of the country did not reflect these same increases—no surprise to most retailers, since garden tractor sales have been in proportion to vegetable gardening's popularity, which has never matched the boom it experienced in the '70s.

Of the 74 percent of power equipment dealers handling garden/utility tractors, 23 percent said sales had increased, but 20 percent said that sales had decreased. Another 30 percent said sales remained the same as 1986. Of those indicating a decrease in sales, most said sales were down 15 percent or more.

On a positive note, walk-behind mowers showed significant gains—this is in keeping with recent statistics released by analysts at Wharton Econometrics (see page 14, this issue). Of power equipment dealers carrying the line, 49 percent indicated that their walk-behind sales were up, compared to only 11.1 percent who showed them as down. More than half of those indicating increased sales also reported that their sales had increased by 15 percent or more.

OPE servicing dealers found a bright spot in sales of replacement parts, too. Of the 96 percent of power equipment dealers carrying the parts, 61 percent said that sales had increased, and nearly half of these said sales had increased by 15-24 percent. Only 6 percent of the power equipment dealers said sales decreased.

Sales of liquid RTU fertilizers were up, too, according to respondents. Although this category of fertilizers is still fairly young—though at last count some 27 manufacturers were in the ball game—these products still are showing signs of overall growth. These increases are coupled with the fact that consumers'

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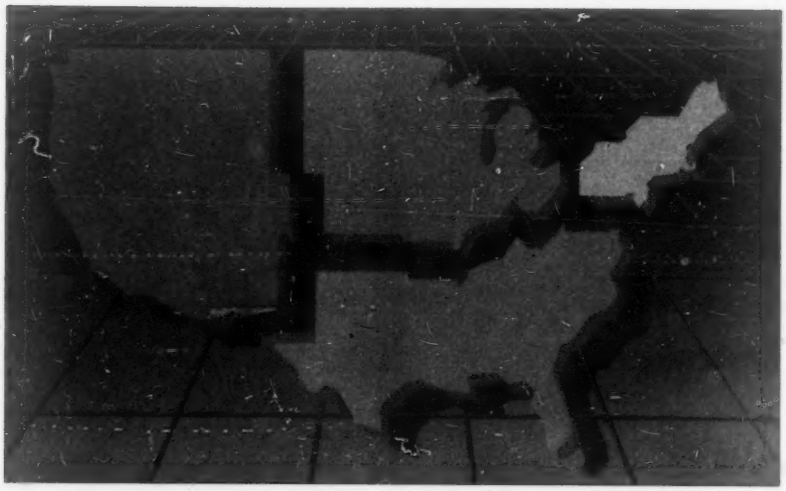


Product movement...*continued*

acceptance of liquid fertilizers seems to be wide-spread.

Granular fertilizers, too, fared well over last year, especially through garden centers. Of the garden centers that handle these products, 53 percent said sales were up, and of these, 22 percent said sales increases were greater than 10 percent.

Soluble fertilizer sales also were on the upswing in the garden centers. Of the 79 percent carrying the line, 35 percent showed an increase; less than 2 percent showed a decrease. Herbicides and insecticides followed the fertilizer lead, with 43 and 46 percent respectively indicating sales increases in garden centers. Less than 9 percent said sales were down.

Grass seed seems to have been in high demand this past year. Forty-six percent of the garden centers handling grass seed responded with an increase in sales this past year; only 11 percent said sales were down.

Even sales of birdfeeders increased over the spring and summer sales season; garden centers accounted for the largest gains. Some 41 percent said sales were up, compared to only 9 percent who said sales were down, obviously reflecting a trend in an increased interest among consumers in backyard wildlife—a trend, in fact, that was noted in the October '87 issue *American Demographics* magazine.

The report noted that, "While the numbers of backyard wildlife watchers grew from 80 million (in 1980) to 105 million (in 1985), the number of people taking trips to observe wildlife remained around 29 million." Expenditures on "backyard wildlife" equipment—birdhouses, baths and feeders—were $222 million in 1985; another $1.1 billion was spent on birdseed. **—LGM**

South

Product	% Up	% Same	% Down
Walk-behinds	46	32	17
Spin trimmers	33	38	12
Riders	27	28	16
Garden tractors	28	22	6
Replace. parts	44	28	8
Herbicides	19	27	4
Insecticides	18	28	5
Lawn fertilizers:			
Granular	21	24	4
Liquid	9	20	5
Soluble	8	23	1
Special	7	32	5
Watering equip.	27	28	4
Grass seed	17	19	9
Packet seeds:			
Annuals	7	28	4
Perennials	7	29	3
Trees, shrubs	8	6	4
Tools:			
Long-handled	17	40	5
Cutting	17	48	7
Short-handled	11	51	5
Sprayers:			
Hose-end	13	41	8
Elect.-powered	1	13	1
Gas-powered	3	14	4
Hand-pump	10	31	5
Planters	5	19	1
Bird feeders	15	41	5

Based on % of those carrying the product line, indicating sales movement.

Source: *LGM* spring/summer 1987 survey.

Northeast

Product	% Up	% Same	% Down
Walk-behinds	38	27	7
Spin trimmers	29	29	11
Riders	17	17	6
Garden tractors	13	13	10
Replace. parts	37	26	–
Herbicides	27	25	6
Insecticides	26	20	5
Lawn fertilizers:			
Granular	39	16	8
Liquid	18	14	5
Soluble	24	23	1
Special	17	32	2
Watering equip.	19	29	5
Grass seed	36	21	2
Packet seeds:			
Annuals	14	25	10
Perennials	13	31	5
Trees, shrubs	18	14	5
Tools:			
Long-handled	17	21	5
Cutting	14	35	5
Short-handled	10	38	5
Sprayers:			
Hose-end	17	27	5
Elect.-powered	1	11	–
Gas-powered	5	14	–
Hand-pump	10	27	5
Planters	13	18	2
Bird feeders	14	20	5

Based on % of those carrying the product line, indicating sales movement.

Source: *LGM* spring/summer 1987 survey.

The spring/summer 1987 survey results were based on 308 responses from three categories of retailers: garden centers, hardware/home centers and power equipment dealers. Respondents were asked to compare sales of product categories in spring/summer 1987 to spring/summer 1986.

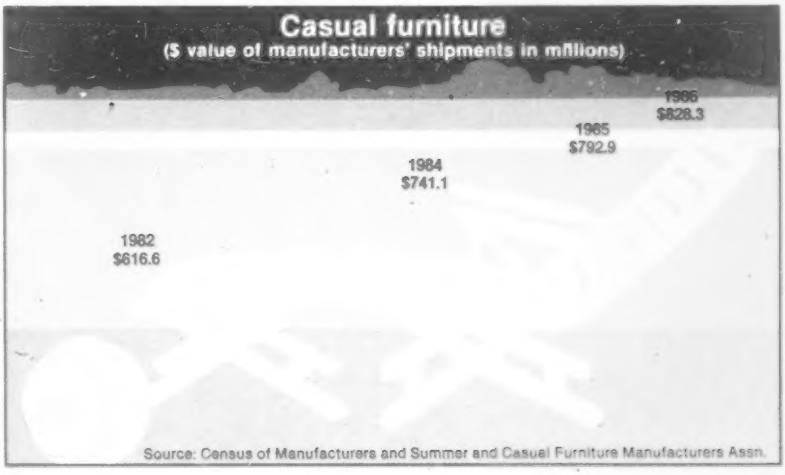
'88 projected as billion dollar year

For the first time, the year 1988 will see summer and casual furniture become a billion dollar industry, according to Summer and Casual Furniture Manufacturers Assn. president, Tom Hebson. "Now, 1988 looks more positive than ever," Hebson says. "The stock market (crash) has had literally no effect. Everybody is upbeat."

In 1986, just as the umbrellas went up on casual furniture, so did its shipments. U.S. manufacturers shipped $828.3 million in casual furniture in 1986 compared to $792.9 million in 1985, an increase of more than 10 percent, according to SCFMA estimates.

Shipment data for 1987 was not available from the association at press time, but results from a *Lawn & Garden Marketing* survey provide an indicator of how sales fared through lawn and garden outlets in 1987. Although only about one in eight garden centers carry the line, more than 12.3 percent of those reported an increase in sales. And nearly 9 percent of those said their sales were up 15 percent or more. One in three of the hardware/home centers surveyed said they carry casual furniture, but nearly half said their sales remained flat.

What do the upcoming casual furniture trends look like for 1988? *National Casual Market Preview* magazine says more patterns will be seen in fabrics. Cotton prints, woven vinyls, jacquards and stripes are the favorites. Styling will see many collections that are suitable for inside or outside use. Soft, rich colors will get special attention including peach, mint green, teal and turquoise. **—LGM**



THIS PRETTY MUCH EXPLAINS WHY.

Conventional, petrochemical-based pesticides aren't exactly setting sales records these days. Increased consumer sensitivity to their risks and more stringent EPA standards, including the banning of some products, are all taking their toll.

On the other hand, consider the reception Safer *non-toxic* pesticides are receiving. In the last year alone, fueled by heightened consumer awareness and on-going national advertising support, our sales have more than doubled (see chart).

Make sure you devote plenty of shelf space to the Safer expanded line. Otherwise, you might find yourself flat out.

Safer™
The Safer Pesticide

Circle (35) on Reply Card